

SIXTEENTH ANNUAL REPORT

OF THE

DIRECTORS OF THE

BOSTON ELEVATED RAILWAY
COMPANY

1913

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DIRECTORS OF THE
Boston Elevated Railway Co.

1913

BOSTON
PRESS OF GEO. H. ELLIS CO.

1913

DIRECTORS AND OFFICERS

NOVEMBER 4, 1912, TO NOVEMBER 3, 1913.

Directors.

FREDERICK AYER.	FRANK E. PEABODY.
WILLIAM A. BANCROFT.	JAMES M. PRENDERGAST.
JOHN J. BRIGHT.	JAMES L. RICHARDS.
SAMUEL CARR.	WILLIAM S. SPAULDING.
GEORGE P. GARDNER.	GALEN L. STONE.
CHARLES P. HALL.	EUGENE V. R. THAYER.
ROBERT WINSOR.	

Executive Committee.

WILLIAM A. BANCROFT.	JAMES M. PRENDERGAST.
JAMES L. RICHARDS.	ROBERT WINSOR.

Officers.

WILLIAM A. BANCROFT	<i>President</i>
CHARLES S. SERGEANT	<i>Vice-President</i>
MATTHEW C. BRUSH	<i>Second Vice-President</i>
HENRY L. WILSON	<i>Treasurer</i>
HENRY S. LYONS	<i>Secretary</i>
J. HENRY NEAL	<i>General Auditor</i>

BOSTON, MASS., October 31, 1913.

TO THE STOCKHOLDERS OF THE BOSTON ELEVATED RAILWAY
COMPANY:—

Mr. George A. Kimball, who became associated with the Company in 1896, died on the third day of December, 1912. Mr. Kimball, as Chief Engineer of Elevated and Subway Construction, designed and built the Elevated Road, the Cambridge Subway, the East Cambridge Elevated Extension, and allied structures. He was a man of irreproachable character and of high professional attainment. The community has lost a good citizen and the Company a capable engineer.

During the year the Company has increased its capital stock by the issue of 39,294 shares, which were subscribed for at \$105 per share. This was the portion of the 40,000 shares which were authorized by vote of the stockholders on November 4, 1912, and by order of the Board of Railroad Commissioners of December 6, 1912, which were subscribed for. This makes the capital stock outstanding at the close of the fiscal year \$23,879,400. There are 706 shares of stock, unsubscribed for, to be sold at public auction at not less than par.

During the year the Company has also issued \$4,000,000 of 5 per cent. gold bonds, dated December 2, 1912, and running for thirty years to December 1, 1942. This makes the funded debt \$22,300,000.

On the sixteenth day of July, 1913, the Board of Directors accepted Chapter 777 of the Acts of the Legislature for 1913.

This Act, in effect, provides that the elevated railway heretofore authorized by law (Chapter 497, Acts of 1907) is not to be built in the city of Malden, nor in the city of Everett beyond a point near the intersection of Broadway and the Eastern Division of the Boston and Maine Railroad. The Company by the Act is granted a right to build a subway from this point to a point near Malden Square. If the Company does not begin to build the subway within five years from the date of the acceptance of the Act, the Boston Transit Commission, if requested by the cities of Everett and Malden, may build such a subway, to be financed by the cities of Everett and Malden, and to be leased to the Company for a period of twenty-five years at an annual rental of $4\frac{1}{2}$ per cent. on the net cost of the subway.

On the sixteenth day of July, 1913, the Board of Directors also accepted Chapter 810 of the Acts of 1913. This Act provides for a connection between the Boylston Street Subway and the Tremont Street Subway at a point near Park Square, and for the operation of both of these subways, so connected, as soon as may be. The Boston Transit Commission, the Act further provides, is to investigate and to report to the next General Court whether it is desirable to alter the route of the Boylston Street Subway beyond the point of connection with the Tremont Street Subway.

The Company has added a net of 3.929 miles of surface track, making a total mileage of 510.988.

The only new track put into operation during the year was that on Southamptton Street between Andrew Square, South Boston, and Massachusetts Avenue, Roxbury.

The Company has ordered 100 more prepayment cars and 55 elevated cars. These, with the 20 Cambridge Subway cars, when all are delivered, will make an addition to its rolling stock since last year of 175 large cars. Besides these the Company is adapting a number of cars to be used as stepless, prepayment,

middle entrance, vestibuled cars. Of these 32 will soon be in operation.

The construction of the Boylston Street Subway, beginning on March 12, 1912, at a point on Massachusetts Avenue near its intersection with Beacon Street, has been prosecuted by the Boston Transit Commission. While incomplete in sections, the work has reached nearly to Charles Street on Boylston Street.

The construction of the Dorchester Tunnel, which is to be an extension of the Cambridge Subway from Park Street east, was begun by the Boston Transit Commission on May 30, 1912. Work has been done under Winter and Summer Streets as far as the easterly line of Arch Street.

The Commission also began work upon the East Boston Tunnel Extension on November 29, 1912, near Scollay Square. Much progress has been made.

It is expected that the Boylston Street Subway, as far as the Public Garden, will be in service in about a year.

The use of the tunnels will not be begun until later.

The Company has nearly finished the construction of the Alford Street Yard in Charlestown, made necessary on account of the extension of the Elevated road to Everett, in accordance with the legislation above recited.

On December 21, 1912, the new 15,000 kilowatt generator was put into service at the South Boston Power Station. This makes three units of 15,000 K.W. each, in this station.

On December 9, 1912, Dover Street Station as enlarged was put in service.

Tentative freight and express business was inaugurated during the year. Cars of the Bay State Street Railway Company and of the Boston and Worcester Street Railway Company are run upon our tracks. These Companies pay our Company for the

privilege, so that our Company, as such, is not engaged in collecting or delivering parcels.

The first station was opened on October 28, 1912, at the Company's property on Harrison Avenue. The second station, upon land leased by the Company at Copps Hill Wharf, was opened February 17, 1913.

The Workingmen's Compensation Act became law on July 1, 1912. To meet this Act several courses were open to the Company, but it was deemed expedient to take out a policy in the Massachusetts Employees Insurance Association,—a company created by the State. The cost to the Company for the fiscal year ending June 30, 1913, because of the Act, was \$82,988.15. As an additional precaution to prevent accidents and to reduce the burden imposed by the Act, Safety Committees—37 in all—have been formed from among the employees. There are upwards of 200 members, and each car-house, power-house, shop, etc., has its committee.

Conferences with representatives of the labor organization brought about an agreement as to 20 of the 48 demands which were made last April. The others, relating chiefly to wages, have been under arbitration by a Board consisting of Mr. James J. Storrow, Chairman, of Mr. James L. Richards representing the Company, and Hon. James H. Vahey representing the labor organization.

From the summary of stockholders of record June 30, 1913, hereinafter printed, it appears that the total number is 5,973, holding 238,794 shares of stock. Of these, 5,346, holding 216,893 shares, live in Massachusetts. This shows that nearly 90 per cent. of the stock is held in Massachusetts. The average number of shares held by each stockholder of the company is a little over thirty-nine shares.

Our revenue and expenses were substantially affected by the strike, which was not settled till the latter part of July, 1912.

A summary of our business for the year is as follows:—

Gross revenue from operation	\$16,808,908.95	
Operating expenses	11,135,581.18	
Net operating revenue of owned and leased lines	\$5,673,327.77	
Interest on deposits, etc.	\$50,418.52	
Interest from securities owned	69,460.00	
Interest charged to construction	34,141.30	
Miscellaneous	5,399.56	159,419.38
		<u>\$5,832,747.15</u>
Tremont St. Subway rental	\$211,751.96	
Less amount charged Bay State St. Ry. Co.,	23,683.66	
	<u>\$188,068.30</u>	
Interest on funded debt of West End St. Ry. Co.	762,610.00	
Dividend on preferred stock of West End St. Ry. Co., 8%	512,000.00	
Dividend on common stock of West End St. Ry. Co., 7%	880,968.51	
Dividend on stock of Somerville Horse R.R. Co., 6%	9,180.00	
Taxes on West End St. Ry. Co.	610,217.68	
Interest and taxes on leased property of Bay State St. Ry. Co.	50,497.33	
Rent of Newtonville & Watertown St. Ry.	<u>6,031.32</u>	
Total payments on account of leased railways		<u>3,019,573.14</u>
		<u>\$2,813,174.01</u>
Interest on funded debt	\$887,806.95	
Interest on unfunded debt	207,700.00	
Taxes Boston Elevated Railway Co.	376,462.32	
Tax on earnings	141,341.51	
Washington St. Tunnel rental	370,256.48	
East Boston Tunnel rental	60,574.93	
Cambridge connection rental	<u>68,408.83</u>	2,112,551.02
Balance		<u>\$700,622.99</u>
Dividend No. 25, paid August 15, 1912, 3%,	\$598,500.00	
Dividend No. 26, paid February 15, 1913, 3%	598,500.00	1,197,000.00
Deficit for the year		<u>\$496,377.01</u>

Volume of business for the year:—

Total revenue passengers carried	326,352,863
Increase over business of previous year	16,042,854
Or an increase of about	5.17%

We annex a full statement of our condition for the year ending June 30, 1913, compiled by our General Auditor, Mr. J. Henry Neal.

Appended is a copy of a certificate from Harvey S. Chase & Company, Certified Accountants, certifying to the correctness of the General Balance Sheet and the Income Account.

Respectfully submitted for the Directors,

WILLIAM A. BANCROFT,

President.

BOSTON, MASS., October 1, 1913.

BOSTON ELEVATED RAILWAY COMPANY:

Gentlemen,—As a result of the detailed audit which we have made, we hereby certify that the balance sheet and income statement are in agreement with the books of the Company and in accord with the facts to the best of our knowledge and belief.

Yours respectfully,

HARVEY S. CHASE & COMPANY,

Certified Public Accountants.

GENERAL AUDITOR'S REPORT.

BOSTON, October 1, 1913.

TO THE BOARD OF DIRECTORS OF THE BOSTON ELEVATED RAILWAY
COMPANY:

Gentlemen,—I herewith submit the following statements of the
business of the Company for the year ending June 30, 1913:—

- A. GENERAL BALANCE SHEET.
- B. INCOME ACCOUNT.
- C. TRAFFIC STATISTICS.
- D. MILEAGE OF TRACK.
- E. MILEAGE OF ELECTRIC LINE EQUIPMENT.
- F. EQUIPMENT.
- G. SUMMARY OF STOCKHOLDERS.

Yours respectfully,

J. HENRY NEAL,
General Auditor.

A.

GENERAL BALANCE SHEET.

ASSETS.

Cost of railway	\$30,885,608.59
Equipment	3,004,862.33
Land, buildings, etc.	12,566,734.06
Other property	188,385.05
Cash on hand and in bank	4,691,612.99
Bills and accounts receivable	447,994.05
Prepaid accounts	167,055.70
Marketable securities	208,010.72
Bonds deposited with Commonwealth of Massachusetts	500,000.00
Material and supplies	1,282,726.90
Damage and insurance funds invested	1,430,750.00
Somerville Horse R.R. Co.	102,851.11
West End St. Ry. Co. Open account	884,768.34
West End St. Ry. Co. Property account	1,230,744.14

TOTAL ASSETS	<u>\$57,592,103.98</u>
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A.

JUNE 30, 1913.

LIABILITIES.

Capital stock	\$23,879,400.00
Funded debt	22,300,000.00
Notes payable	2,050,000.00
Audited vouchers and accounts	659,702.14
Salaries and wages	195,953.51
Matured interest coupons unpaid	86,260.00
Rentals unpaid	262,031.32
Dividends not called for	4,856.00
Outstanding tickets and checks	37,719.55
Bay State St. Ry. Co. Property account	296.84
West End St. Ry. Co. Lease account	1,207,201.98
Taxes accrued and not yet due	879,710.55
Interest on funded debt Boston Elevated Ry. Co. and West End St. Ry. Co. accrued and not yet due	424,466.66
Miscellaneous interest accrued and not yet due	23,772.42
Rentals accrued and not yet due	280,124.62
Damage reserve	624,239.87
Insurance reserve	829,724.89
Depreciation reserve	900,000.00
Premium from sale of capital stock and bonds available for construction and equipment purposes only	2,719,743.09
Surplus	226,900.54

TOTAL LIABILITIES \$57,592,103.98

B.

INCOME ACCOUNT FOR YEAR

DEBIT.

OPERATING EXPENSES		\$11,135,581.18
For maintenance of way and structures	\$1,761,842.78	
For maintenance of equipment	1,282,655.94	
For general expenses	1,773,597.72	
For traffic expenses	16,084.01	
For transportation expenses	6,301,400.73	
TAXES		1,128,021.51
West End St. Ry. Co.'s tax on capital stock and property	610,217.68	
Boston Elevated Ry. Co.'s tax on capital stock and property	376,462.32	
Boston Elevated Ry. Co.'s tax on earnings	141,341.51	
Coupon interest on West End St. Ry. Co.'s bonds		762,610.00
Coupon interest on Boston Elevated Ry. Co.'s bonds		887,806.95
Interest on unfunded debt		207,700.00
Rents of leased lines		1,458,677.16
Rent of East Boston tunnel		60,574.93
Rent of Washington Street tunnel		370,256.48
Rent of Cambridge Connection		68,408.83
Rent of Tremont St. Subway	\$211,751.96	
Less amount charged Bay State St. Ry. Co.	23,683.66	188,068.30
Dividends paid on capital stock		1,197,000.00
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TOTAL		<u>\$17,464,705.34</u>

B.

ENDING JUNE 30, 1913.

CREDIT.

REVENUE FROM OPERATION		\$16,808,908.95
From passenger revenue	\$16,268,607.22	
From parlor, chair, and special car revenue	21,311.74	
From mail revenue	37,097.06	
From express rental	26,378.42	
From miscellaneous transportation revenue	1,694.91	
From station and car privileges	212,307.74	
From rent of tracks and terminals,	65,302.85	
From rent of equipment	271.60	
From rent of buildings and other property	110,188.23	
From power	29,399.40	
From miscellaneous revenue	36,349.78	
MISCELLANEOUS INCOME		159,419.38
Interest on deposits, etc.	50,418.52	
Interest from securities owned	69,460.00	
Interest charged to construction	34,141.30	
Miscellaneous	5,399.56	
Deficit		496,377.01
TOTAL		<u>\$17,464,705.34</u>

C.

TRAFFIC STATISTICS.

ROUND TRIPS.

Run by Rapid Transit Passenger cars	1,159,056
Run by Surface Passenger cars	5,562,721
Run by U.S. Mail cars	19,341
Run by Express cars	3,475
TOTAL	6,744,593

REVENUE MILES.

Run by Rapid Transit Passenger cars	11,385,787
Run by Surface Passenger cars	46,118,784
Run by U.S. Mail cars	222,376
Run by Express cars	57,372
TOTAL	57,784,319

REVENUE CAR HOURS.

By Rapid Transit Passenger cars	777,306
By Surface Passenger cars	4,552,094
By U.S. Mail cars	24,964
By Express cars	5,343
TOTAL	5,359,707

PASSENGERS CARRIED.

Revenue Passengers on Rapid Transit and Surface cars .	326,352,863
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REVENUE.

From Revenue Passengers on Rapid Transit and Surface cars	\$16,268,607.22
From Parlor, Chair, and Special cars	21,311.74
From U.S. Mail cars	37,097.06
From Express cars	26,378.42
TOTAL REVENUE FROM CAR OPERATION	\$16,353,394.44

D.

MILEAGE OF TRACK.

Total track owned by and leased from the West End St.

Ry. Co., June 30, 1912	415.224	miles
Additions for extensions during the year	3.929	"
TOTAL	419.153	"
Reduction for track taken up or transferred during the year,	.668	"

NET LENGTH OF TRACK OWNED BY AND LEASED FROM

THE WEST END ST. RY. CO., June 30, 1913	418.485	"
Leased from other companies	39.690	"
Operated under trackage privileges	3.669	"
Surface track on Elevated Railway property	14.126	"
Total track for Surface cars	475.970	"
Total track for Rapid Transit cars	35.018	"
TOTAL TRACK, June 30, 1913	510.988	"

Which is made up as follows:—

	For Surface Cars.	For Rapid Transit Cars.
Length of main lines	228.004 miles	13.399 miles
Length of second track	194.353 "	13.179 "
Length of sidings, car-house curves, cross-overs, etc.	9.925 "	2.626 "
Length of track in car-houses and yards	43.688 "	5.814 "
TOTALS	475.970 "	35.018 "
The total length of track in reservations is	41.200	"
The total length of track built with heavy girder rail is	432.250	"
The total length of track built in the Tremont St. Subway is	5.382	"
The total length of track built in the East Boston tunnel is	2.800	"
The total length of track built in the Washington Street tunnel is	2.325	"
The total length of track built in the Cambridge Sub- way and Cambridge Subway connection exclusive of tracks in terminal and track used by surface cars is	7.277	"
The total length of track built on the East Cambridge Viaduct and connections is	2.678	"

E.

MILEAGE OF ELECTRIC LINE EQUIPMENT.

JUNE 30, 1913.

Miles of rapid transit track completely equipped with electric third rail system	35.018
Miles of track completely equipped with electric overhead system	483.375
Miles of overhead electric feeder lines	521.020
Miles of overhead electric return lines	78.658
Miles of underground conduit	94.160
Miles of underground conduit duct	729.679
Miles of underground electric feeder lines	350.702
Miles of underground electric return lines	160.578
Miles of submarine cables	4.831

F.

EQUIPMENT.

JUNE 30, 1913.

Rapid Transit Box Cars	276
Box Cars, Surface, 16-foot bodies	5
Box Cars, Surface, 20-foot bodies	274
Box Cars, Surface, 24-foot bodies	1
Box Cars, Surface, 25-foot bodies	1,163
Box Cars, Surface, 26½-foot bodies	60
Box Cars, Surface, 28-foot bodies	2
Box Cars, Surface, 50-foot bodies (Articulated Cars)	2
Box Cars, Surface, 32-foot bodies (Semi-convertible)	40
Box Cars, Surface, 33¼-foot bodies (Semi-convertible)	151
Box Cars, Surface, 34-foot, 4-inch bodies (Semi-convertible)	175
Open Cars, Surface, 7 benches	72
Open Cars, Surface, 8 benches	457
Open Cars, Surface, 9 benches	741
Open Cars, Surface, 10 benches	41
Open Cars, Surface, 12 benches	181
Mail Cars, Surface	10
Service Cars	132
Horses	237
Electric Car Motors (619 rapid transit, 6,834 surface)	7,453
Snow Plows, Horse	54
Snow Plows, Electric	232
Snow Sleds	620
Miscellaneous Vehicles	460

G.

SUMMARY OF STOCKHOLDERS OF RECORD.

JUNE 30, 1913.

<i>State.</i>	<i>No. Stockholders.</i>	<i>Shares.</i>
Massachusetts	5,346	216,893

OTHER STATES.

Maine	64	2,921
New Hampshire	144	2,484
Vermont	15	187
Rhode Island	53	2,050
Connecticut	77	3,096
New York	115	6,119
New Jersey	11	229
Pennsylvania	27	514
Maryland	2	59
District of Columbia	20	382
West Virginia	1	6
North Carolina	2	5
Florida	7	294
Louisiana	2	132
Ohio	7	85
Indiana	2	121
Illinois	4	41
Wisconsin	2	103
Michigan	5	64
Missouri	6	200
Colorado	3	39
Washington	3	19
Oregon	1	50
California	20	864
Tennessee	1	5
Georgia	1	36
	595	20,105
Cuba	1	25
	<u>596</u>	<u>20,130</u>

BRITISH PROVINCES.

	<i>No. Stockholders.</i>	<i>Shares.</i>
Quebec	10	559
Ontario	1	6
New Brunswick	3	24
Nova Scotia	2	18
British Columbia	3	28
Saskatchewan	1	15
	<hr/> 20 <hr/>	<hr/> 650 <hr/>

EUROPEAN COUNTRIES.

Belgium	1	50
Scotland	1	10
Ireland	1	5
France	3	1,010
Italy	1	3
Germany	2	32
	<hr/> 9 <hr/>	<hr/> 1,110 <hr/>

SOUTH AMERICA.

Peru	1	1
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ASIA.

Siam	1	10
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RECAPITULATION.

Massachusetts	5,346	216,893
Other States	595	20,105
Cuba	1	25
British Provinces	20	650
European countries	9	1,110
South American countries	1	1
Asiatic countries	1	10
	<hr/> 5,973 <hr/>	<hr/> 238,794 <hr/>

